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EXECUTIVE SECRETARY

April 2, 1997

VIA HAND DELIVERY

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
360 James Robertson Parkway
Nashville, TN 37201

Re: BellSouth Telecommunications, Inc's Entry Into Long Distance (interLATA)
Service in Tennessee Pursuant to Section 271 of the Telecommunications Act of
1996

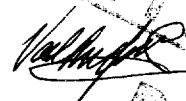
Docket No: 97-00309

Dear Mr. Waddell:

Enclosed for filing are the original and thirteen copies of AT&T's Submission of
Principles for Consideration and Discussion at Status Conference in the above proceedings.

Copies are being served on counsel of record.

Yours very truly,


Val Sanford

VS/ghc

cc: Counsel of Record
James P. Lamoureux
Garry Sharp

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PLEASE
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**BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

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EXECUTIVE SECRETARY

IN RE: BELL SOUTH TELECOMMUNICATIONS, INC.'S
ENTRY INTO LONG DISTANCE (interLATA) SERVICE
IN TENNESSEE PURSUANT TO SECTION 271 OF THE
TELECOMMUNICATIONS ACT OF 1996

DOCKET NO. 97-00309

**AT&T'S SUBMISSION OF PRINCIPLES FOR
CONSIDERATION AND DISCUSSION AT STATUS CONFERENCE**

AT&T Communications of the South Central States, Inc. ("AT&T") submits the following information to the Tennessee Regulatory Authority ("TRA") and the parties to this proceeding for consideration and to facilitate discussion at the Status Conference tomorrow in the above-captioned proceeding.

AT&T believes it is important that this matter proceed as efficiently and expeditiously as possible. AT&T also believes that the importance of this matter requires careful consideration of all the issues. Therefore, AT&T believes it is important that this proceeding be structured carefully, so as to accommodate both the goal of efficiency as well as the goal of thoroughness. AT&T believes that adherence to the following principles will help achieve both goals.

1. AT&T believes the TRA should establish a briefing schedule to resolve the "Track A" v. "Track B" issue. BellSouth has said that it can not file for Section 271 authority in Tennessee under Track A of the Act. Many of the other parties to this proceeding, including

AT&T, have argued that by the terms of the Act, Track B is unavailable to BellSouth. If these parties are correct, then the question of BellSouth's Section 271 authority in Tennessee is resolved for the moment, and the TRA need not proceed further on the question of BellSouth's authority under Section 271 of the Act to provide interLATA service in Tennessee.

Since the issue is a legal question, the most efficient course of action in this proceeding would be to first establish a briefing schedule on the question of whether under the Act BellSouth may file under Track B. AT&T proposes that the TRA establish a schedule for filing briefs, hearing argument, and deciding this issue, before proceeding to other issues in this matter.

2. AT&T believes that it would be appropriate to consider the question of whether BellSouth's Statement of Generally Available Terms and Conditions ("Statement") complies with Sections 251 and 252 of the Act, as required by Section 252(f)(2) of the Act. AT&T believes the TRA should consider this question before considering the broader question of whether BellSouth has met the conditions of Section 271 of the Act.

The Act requires an approved Statement as a condition to receiving interLATA authority under Track B of the Act. BellSouth has admitted that it can not meet the requirements of Track A in Tennessee. Therefore, assuming BellSouth can file under Track B, if BellSouth's Statement is not approved by the TRA, the TRA need not proceed further to the larger question of whether BellSouth has satisfied all of the requirements under Section 271.

AT&T thus believes the most efficient course of action would be for the TRA to consider the question of whether BellSouth's Statement complies with sections 251 and 252 of the Act, before moving to the broader question of whether BellSouth has satisfied all of the requirements under Section 271 necessary for BellSouth to receive authority to provide interLATA services in Tennessee.

AT&T believes that if this proceeding moves to the question of considering BellSouth's Statement, it will be important to establish a schedule for conducting discovery, determining issues, briefing issues, and filing testimony. First, it will be necessary for the parties and the TRA to conduct discovery to gather the information needed to determine whether BellSouth's Statement complies with Sections 251 and 252 of the Act. Second, AT&T believes that identification of the issues by the parties, as has been done in several other proceedings before the TRA, will facilitate an orderly and efficient proceeding. Third, AT&T believes it would be appropriate for the parties to brief those issues which are legal issues. Finally, AT&T proposes that the parties file written testimony on the remaining issues. At this time, AT&T does not believe it necessary for the TRA to hear "live" testimony; AT&T believes that briefs and written testimony will be sufficient.

AT&T thus believes that if this proceeding moves to the question of considering BellSouth's Statement, the TRA should convene a second Status Conference, for the purpose of establishing a schedule. However, as described below, AT&T believes that such a Status Conference should be convened shortly after BellSouth either provides notice in this proceeding of its intent to file with the FCC, or its submission of its Statement to the TRA, whichever occurs first.

3. If this proceeding then moves to the broader question of BellSouth's compliance with the requirements of Section 271 of the Act, AT&T proposes a similar sequence: that the parties conduct discovery, identify issues, brief legal issues, and file written testimony. Again, AT&T believes that the presentation of "live" testimony will not be necessary for this issue, and, it may be possible that some of the testimony concerning BellSouth's Statement also will apply to the question of BellSouth's compliance with Section 271. As described below, AT&T proposes that shortly after the TRA concludes its consideration of BellSouth's Statement, the TRA then convene a final Status Conference to establish a schedule for consideration of the broader question of BellSouth's compliance with Section 271 of the Act. The issues of discovery, identification of issues, briefs and testimony should be discussed at this Status Conference.

4. Assuming that BellSouth files an application with the FCC for authority to provide interLATA services in Tennessee, all of the above activities need to be concluded well before the 20th day after BellSouth files its application at the FCC, so that the TRA may fulfill its consultation role provided for under the Act. The TRA already has required BellSouth to provide in this proceeding notice of its intent to file with the FCC 60 days before BellSouth files its application with the FCC. AT&T also believes the TRA should require BellSouth, at the time it provides such advance notice, to provide the TRA and the parties to this proceeding, all of the information BellSouth intends to rely on in support of its application to the FCC. This will reduce the amount of discovery necessary, will increase the efficiency of the proceedings, and is consistent with decisions in other states and with procedures suggested by NARUC.

5. Once BellSouth provides notice in this proceeding of its intent to file with the FCC, the TRA will have 80 days to conduct this proceeding and provide input to the FCC. AT&T believes that the "Track A" vs. "Track B" phases described above may be conducted in advance of BellSouth providing notice to the TRA. Therefore, AT&T believes the TRA should establish a schedule at the Status Conference tomorrow for resolving the "Track A" vs. "Track B" issue. This issue presents only legal questions, requires no discovery, and can be decided in advance of BellSouth providing notice of its intent to file with the FCC.

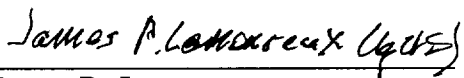
However, BellSouth has not yet filed its Statement, and has said that it does not plan to do so until the day it provides notice of its intent to file its application with the FCC. Therefore, AT&T proposes that for consideration of BellSouth's Statement, the TRA convene a second Status Conference, as described above in paragraph 4, no more than 5 days after the date on which BellSouth either files its application with the FCC or submits its Statement for the TRA for approval, whichever occurs first.

Finally, for consideration of the larger question of whether BellSouth has satisfied the requirements of Section 271 of the Act, AT&T proposes that the TRA convene a Status Conference, as described in paragraph 5 above, no more than 5 days after the conclusion of consideration of BellSouth's Statement.

CONCLUSION

AT&T believes that the principles described above will allow the TRA to consider the issues in this proceeding in an orderly, efficient, and thorough fashion, and will provide the TRA sufficient time to fulfill its obligations under the Act. Therefore, AT&T respectfully requests that the TRA establish a procedural schedule in this proceeding in accordance with the principles described above.

Respectfully submitted,



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South Central States, Inc.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 2nd day of April, 1997, at true and correct copy of the foregoing Submission of Principles for Consideration and Discussion at Status Conference has been delivered via facsimile and U. S. Mail, postage prepaid to:

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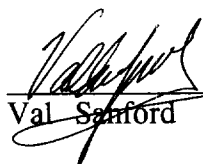
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